

**ADDENDUM TO CONTRACT FOR THE SALE AND PURCHASE OF REAL ESTATE**

This addendum is entered into this the <sup>5</sup>21 day of January 2002, by and between JOHN L. MCREE, a Tennessee resident and SHELBURNE, LLC, a Mississippi limited liability company ("SHELBURNE") (hereinafter both collectively referred to as "MCREE") and CHAMBLISS BUILDERS INC. ("CHAMBLISS"). The parties hereto hereby amend the purchase contract between SHELBURNE and CHAMBLISS dated September 20, 2000, ("the Contract") as follows: It is agreed and covenanted between the parties as follows:

1. CHAMBLISS hereby waives any right of first refusal rights it may have under the Contract regarding the land described in Exhibit "A" attached hereto (the "New Development") in order to allow MCREE to sell the lots to be developed in such area to another purchaser. Said waiver is only applicable to the New Development and said waiver shall only be effective if such land is marketed under any name other than Shelburne or Shelburne Estates. MCREE hereby grants a right of first refusal to CHAMBLISS to purchase any lots developed by MCREE in the remainder of the real property represented in the Outline Plan for Shelburne Estates PUD ("the Shelburne Property"). This right of first refusal shall also be effective if MCREE is a Seller of the undeveloped Shelburne Property. The aforesaid right of first refusal shall be exercised as follows:

Upon the commencement of construction of the development of any lots contained within the Shelburne Property, MCREE shall notify CHAMBLISS in writing of the commencement of construction of said lots and the price of said lots. CHAMBLISS shall have the right to purchase all such completed lots for the price offered and on terms acceptable to MCREE and CHAMBLISS. CHAMBLISS shall have thirty (30) days from receipt of such written notice to either reject or accept in writing MCREE's offer of such lots. CHAMBLISS' failure to give MCREE its written acceptance or

rejection within such thirty (30) day period, shall be deemed a waiver of CHAMBLISS' right of first refusal as to such lots as described in the written offer. In that event, MCREE shall be free to sell such lots to any third party. For purposes of this paragraph the term "completed lots" is defined as the owner of such lots being able to obtain a building permit for such lots from the City of Southaven.

All notices, demands or other communications of any type given by either party hereto shall be void and of no effect unless given in accordance with the provisions of this paragraph. All notices shall be in writing and delivered to the person to whom the Notice is directed, either by hand delivery in person, by Federal Express or by United States Mail as a Registered or Certified item, Return Receipt Requested. Notices delivered by mail shall be effective when deposited in a Post Office or other depository under the care or custody of the United States Postal Service, enclosed in a wrapper with postage affixed, addressed, as follows:

To SHELBURNE: John L. McRee  
c/o McRee Realty  
5159 Wheelis Drive  
Memphis, TN 38117

To CHAMBLISS: Jerry W. Chambliss  
c/o Chambliss Builders, Inc.  
6858 Swinnea Road, Building 3-B  
Southaven, MS 38671

Furthermore, the connection road between said New Development or any extended phases of the New Development (estimated to be a total of 81 lots) and the remainder of Shelburne Estates (shall be subject to the requirements and approval by the City of Southaven), remain closed and not be connected between the said competing subdivisions until the last phase of Shelburne Estates is developed by MCREE.

2. On or before April 30, 2002, MCREE agrees to reshape, smooth and seed all ditches in Section A, Shelburne Estates. At the closing of said Section A of Shelburne Estates PUD anticipated in this Agreement, the closing attorney at such closing shall hold in escrow the sum of \$2,000 to guarantee the completion of said work. Once all work described in this paragraph is completed by MCREE and approved by CHAMBLISS (which approval shall not be unreasonably withheld or delayed), the

closing attorney shall release within three (3) business days the aforesaid funds held by him in escrow to MCREE.

3. On or before April 30, 2002, MCREE agrees to build a 6 ft. cedar fence along the north and south entrance of the subject property that separates the residential and commercial property on Section A of Shelburne Estates PUD. CHAMBLISS shall install at its own expense on or before April 1, 2002 brick columns for MCREE to attach the aforesaid fence. If the said brick columns are not completed by April 1, 2002, MCREE is free to install the cedar fence without brick columns. The closing attorney at the closing of Section A of Shelburne Estates PUD as anticipated in this Agreement shall hold in escrow the sum of \$5,500 to guarantee the completion of the fence construction described in this paragraph. Upon completion of the fence construction by MCREE and approval by CHAMBLISS (which approval shall not be unreasonably withheld or delayed) the closing attorney shall release the funds escrowed pursuant to this paragraph within three (3) business days to MCREE.
4. CHAMBLISS acknowledges that MCREE has a contract with Kemmons Wilson Companies, or one of its affiliates, regarding the purchase of the remaining Shelburne Estates PUD property that is anticipated by MCREE to be developed in lots to be a part of Shelburne Estates. In the event of the death or disability of MCREE and if the heirs of MCREE decide, in their sole discretion, not to develop the remaining undeveloped Shelburne Property, then CHAMBLISS shall have a right of first refusal to purchase all of the then remaining Shelburne Property, which is owned by the heirs

of MCREE. CHAMBLISS' right of first refusal as stated in this paragraph shall be exercised as follows:

Upon receipt of notice from MCREE's heirs of their intent not to develop the remaining undeveloped Shelburne Property, CHAMBLISS shall have the right to purchase all such real property under terms mutually agreeable between the heirs of MCREE and CHAMBLISS. CHAMBLISS shall have thirty (30) days from receipt of such written notice to either reject or accept in writing MCREE's heirs offer to sell such property. CHAMBLISS' failure to give MCREE's heirs its written acceptance or rejection within such thirty (30) days, shall be deemed a waiver of CHAMBLISS' right of first refusal as to such property as described in said MCREE's heirs written notice to CHAMBLISS. In that event, MCREE's heirs shall be free to sell such property to any third party.

5. Paragraph 22 "Encroachments" of the Contract is deleted in its entirety.

Witness our names and signatures on the day and year written above.

**Shelburne, LLC**

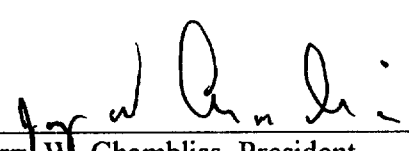
By:

  
John L. McRee, Member

  
John L. McRee, Individually

**Chambliss Builders, Inc.**

By:

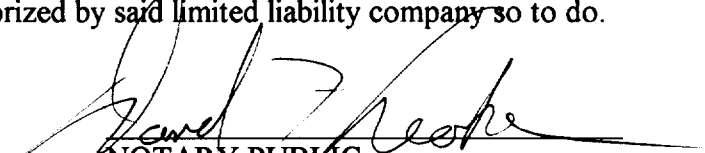
  
Jerry W. Chambliss, President

STATE OF ~~MISSISSIPPI~~ Tennessee  
COUNTY OF ~~DESOTO~~ Shelby

Personally appeared before me, the undersigned authority in and for the said county and state, on this the 22<sup>nd</sup> day of January 2002, within my jurisdiction, the within named **JOHN L. MCREE**, who acknowledged that he a Member of **SHELBURNE, LLC**, and that for and on behalf of the said limited liability company and as his act and deed he executed the above and foregoing instrument, after first having been duly authorized by said limited liability company so to do.

My Commission Expires:  
~~June 21, 2003~~

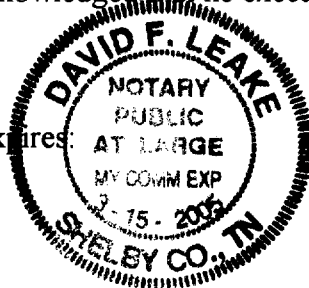


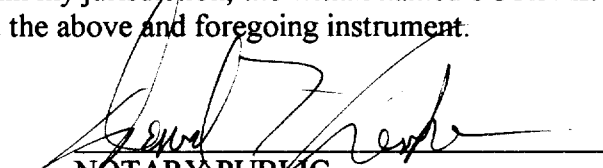
  
NOTARY PUBLIC

STATE OF ~~MISSISSIPPI~~ Tennessee  
COUNTY OF ~~DESOTO~~ Shelby

Personally appeared before me, the undersigned authority in and for the said county and state, on this the 21<sup>st</sup> day of January 2002, within my jurisdiction, the within named **JOHN L. MCREE**, who acknowledged that he executed the above and foregoing instrument.

My Commission Expires:  
~~June 21, 2003~~

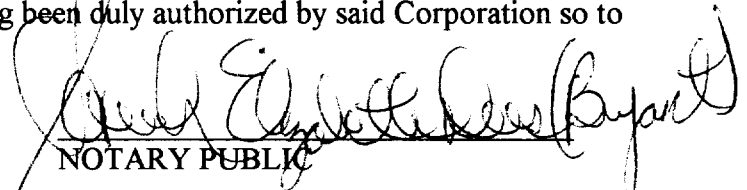


  
NOTARY PUBLIC

STATE OF MISSISSIPPI  
COUNTY OF DESOTO

Personally appeared before me, the undersigned authority in and for the said county and state, on this the 21<sup>st</sup> day of January 2002, within my jurisdiction, the within named **JERRY W. CHAMBLISS**, who acknowledged that he is **PRESIDENT** of **CHAMBLISS BUILDERS INC.**, and that for and on behalf of the said Corporation, and as it act and deed he executed the above and foregoing instrument, after first having been duly authorized by said Corporation so to do.

My Commission Expires:  
June 21, 2003

  
NOTARY PUBLIC

This instrument prepared by:

Eric L. Sappenfield  
Attorney at Law  
6858 Swinnea Road  
5 Rutland Place  
Southaven, MS 38671  
662-342-7887  
contract/9234add

PROPOSED OAK VALLEY ESTATES  
SECTION 'A'

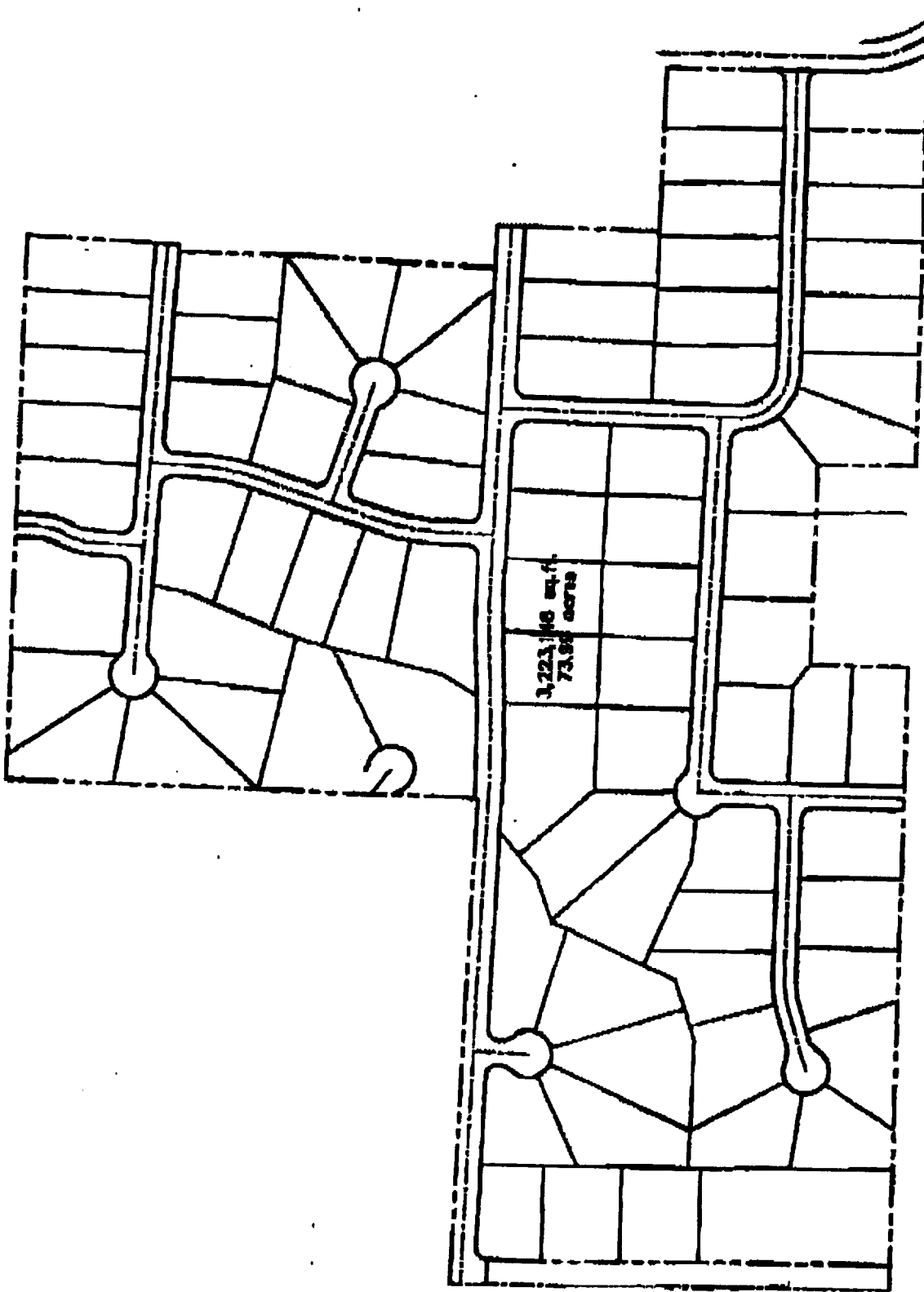


EXHIBIT "A-2"

STATE MS. - DESOTO CO.

JAN 28 4 18 PM '02

BK 92 PG 637  
W.E. DAVIS CH. CLK.

**LEGAL DESCRIPTION**

**A LEGAL DESCRIPTION OF A 73.99, MORE OR LESS, ACRE TRACT OF LAND  
BEING KNOWN AS PROPOSED SECTION 'A' OAK VALLEY ESTATES AND  
BEING LOCATED IN THE NORTH HALF OF THE NORTHWEST QUARTER OF  
SECTION 28, TOWNSHIP 1 SOUTH, RANGE 7 WEST, SOUTHAVEN,  
DESOTO COUNTY, MISSISSIPPI AND BEING MORE PARTICULARLY  
DESCRIBED AS FOLLOWS:**

BEGINNING AT THE NORTHWEST CORNER OF SECTION 28, TOWNSHIP 1 SOUTH, RANGE 7 WEST, SOUTHAVEN, DESOTO COUNTY, MISSISSIPPI; THENCE SOUTH 88 DEGREES 39 MINUTES 47 SECONDS EAST A DISTANCE OF 1022.55 FEET TO A POINT; THENCE NORTH 01 DEGREES 00 MINUTES 18 SECONDS EAST A DISTANCE OF 1009.01 FEET TO A POINT; THENCE SOUTH 89 DEGREES 42 MINUTES 52 SECONDS EAST A DISTANCE OF 1147.49 FEET TO A POINT; THENCE SOUTH 02 DEGREES 31 MINUTES 04 SECONDS WEST A DISTANCE OF 324.83 FEET TO A POINT; THENCE NORTH 87 DEGREES 28 MINUTES 56 SECONDS WEST A DISTANCE OF 15.34 FEET TO A POINT; THENCE SOUTH 00 DEGREES 38 MINUTES 05 SECONDS WEST A DISTANCE OF 263.14 FEET TO A POINT; THENCE SOUTH 02 DEGREES 51 MINUTES 31 SECONDS WEST A DISTANCE OF 412.63 FEET TO A POINT; THENCE SOUTH 88 DEGREES 39 MINUTES 47 SECONDS EAST A DISTANCE OF 93.07 FEET TO A POINT; THENCE SOUTH 01 DEGREES 20 MINUTES 13 SECONDS WEST A DISTANCE OF 353.27 FEET TO A POINT; THENCE SOUTH 89 DEGREES 21 MINUTES 55 SECONDS EAST A DISTANCE OF 348.27 FEET TO A POINT; THENCE SOUTH 00 DEGREES 38 MINUTES 05 SECONDS WEST A DISTANCE OF 331.71 FEET TO A POINT OF CURVATURE; THENCE NORTHWESTWARDLY A DISTANCE OF 39.68 FEET ALONG A CURVE TO THE LEFT (HAVING DELTA = 90 DEGREES 55 MINUTES 55 SECONDS, RADIUS = 25.00 FEET, TANGENT = 25.41 FEET, Ch. Brg. = NORTH 44 DEGREES 49 MINUTES 53 SECONDS WEST, Ch. Dis. = 35.64 FEET) TO A POINT; THENCE SOUTH 89 DEGREES 42 MINUTES 09 SECONDS WEST A DISTANCE OF 95.01 FEET; THENCE SOUTH 00 DEGREES 38 MINUTES 05 SECONDS WEST A DISTANCE OF 254.07 FEET TO A POINT; THENCE SOUTH 89 DEGREES 43 MINUTES 02 SECONDS WEST A DISTANCE OF 706.67 FEET TO A POINT; THENCE NORTH 00 DEGREES 02 MINUTES 40 SECONDS WEST A DISTANCE OF 210.00 FEET TO A POINT; THENCE NORTH 89 DEGREES 56 MINUTES 17 SECONDS WEST A DISTANCE OF 419.85 FEET TO A POINT; THENCE SOUTH 00 DEGREES 31 MINUTES 26 SECONDS WEST A DISTANCE OF 209.09 FEET TO A POINT; THENCE SOUTH 89 DEGREES 51 MINUTES 27 SECONDS WEST A DISTANCE OF 1262.12 FEET TO A POINT; THENCE NORTH 00 DEGREES 11 MINUTES 13 SECONDS WEST A DISTANCE OF 865.44 FEET TO A POINT; THENCE SOUTH 89 DEGREES 48 MINUTES 47 SECONDS WEST A DISTANCE OF 53.00 FEET TO A POINT; THENCE NORTH 00 DEGREES 11 MINUTES 13 SECONDS WEST A DISTANCE OF 80.10 FEET TO THE POINT OF BEGINNING AND CONTAINING 73.99, MORE OR LESS, ACRES (3,223,148 MORE OR LESS S.F.) OF LAND, BEING SUBJECT TO ALL CODES EASEMENTS, SUBDIVISION REGULATIONS SUBDIVISION RESTRICTIONS AND RIGHTS OF WAY OF RECORD.

DATED JANUARY 10, 2002

OAK VALLEY#1 LOTB.DOC

EXHIBIT 'A-1'